

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION**

**FEDERAL TRADE COMMISSION,**

Plaintiff,

v.

**E.M.A. NATIONWIDE, INC., *et al.*,**

Defendants.

Case No. 1:12-cv-02394-JG

Judge James S. Gwin

Magistrate Judge McHargh

**STIPULATED FINAL ORDER FOR PERMANENT INJUNCTION  
AND SETTLEMENT OF CLAIMS BETWEEN  
PLAINTIFF AND DEFENDANT PHILLIP KWON**

Plaintiff Federal Trade Commission (“FTC”) commenced t

Rule”), 16 C.F.R. Part 322, recodified as Mortgage Assistance Relief Services, 12 C.F.R. Part







- B. improve, or arrange to improve, any consumer's credit record, credit history, or credit rating;
- C. provide advice or assistance to any consumer with regard to any activity or service the purpose of which is to improve a consumer's credit record, credit history, or credit rating;
- D. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, a loan or other extension of credit; or
- E. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving any service represented, expressly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of any debt or obligation (other than a debt or obligation secured by a mortgage on a



telephones and which involves more than one interstate telephone call, whether inbound or outbound.

**ORDER**

**BAN ON DEBT RELIEF AND MORTGAGE ASSISTANCE RELIEF PRODUCTS OR SERVICES**

- I. IT IS THEREFORE ORDERED** that Defendant, whether acting directly or through any other person, is permanently restrained and enjoined from:
- A. Advertising, marketing, promoting, offering for sale, or selling any debt relief product or service, or mortgage assistance relief product or service; and
  - B. Assisting others engaged in advertising, marketing, promoting, offering for sale, or selling any debt relief product or omliI04 Tc 0.004ff









corporation, subsidiary, division, or other device, in connection with the telemarketing, advertising, marketing, promotion, offering for sale, or sale of any good or service, are hereby permanently restrained and enjoined from:

- A. Misrepresenting, directly or by implication, any material aspect of the performance, efficacy, nature, or central characteristic of any good or service in violation of Section 310.3(a)(2)(iii) of the TSR, 16 C.F.R. § 310.3(a)(2)(iii);
- B. Misrepresenting, directly or by implication, affiliation with, or endorsement by, any government or third-party organization in violation of Section 310.3(a)(2)(vii) of the TSR, 16 C.F.R. § 310.3(a)(2)(vii); and
- C. Violating, or assisting others in violating, any other provision of the Telemarketing Sales Rule, 16 C.F.R. Part 310.

**PROHIBITION ON DISCLOSING CUSTOMER INFORMATION**

**VI. IT IS FURTHER ORDERED**

with the marketing or promotion of debt relief, tax relief, or mortgage assistance relief products or services; and

- B. Disposing of such customer information without written authorization from the Commission; and
- C. Failing to dispose of such customer information in all forms in their possession, custody, or control within thirty (30) days after receipt of written authorization from the Commission. Disposal shall be by means that protect against unauthorized access to the customer information, such as by burning, pulverizing, or shredding any papers, and by erasing or destroying any electronic media, to ensure that the customer information cannot practicably be read or reconstructed.

*Provided, however,* that customer information need not be disposed of, and may be disclosed, to the extent requested by a government agency or required by a law, regulation, or court order.



**ORDER ACKNOWLEDGMENTS**

**VIII. IT IS FURTHER ORDERED** that Defendant obtain acknowledgments of receipt of this

Order:

A. Defendant, within seven





B. For 20 years

States of America that the foregoing is true and correct. Executed on:\_\_\_\_\_” and supplying the date, signatory’s full name, title (if applicable), and signature.

- E. Unless otherwise directed by a FTC representative in writing, all submissions to the FTC pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade FTC, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: *FTC v. E.M.A. Nationwide, Inc., et al.*, Case No. 1:12-cv-02394-JG (N.D. Ohio) [FTC File No. X120055].

#### **RECORDKEEPING**

- X. IT IS FURTHER ORDERED** that Defendant must create certain records for 20 years after entry of the Order, and retain each such record for five (5) years. Specifically, Defendant for any business in which Defendant is a majority owner or directly or indirectly controls, must maintain the following records:
- A. Accounting records showing the revenues from all goods or services sold, all costs incurred in generating those revenues, and the resulting net profit or loss;
  - B. Personnel records showing, for each person providing services, whether as an employee or otherwise, that person’s: name, addresses, and telephone numbers; job title or position; dates of service; and, if applicable, the reason for termination;
  - C. Complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;

- D. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the FTC; and
- E. A copy of each advertisement or other marketing material related to the marketing of any financial good or service, the telemarketing of any good or service, or the acquisition or sale of marketing leads for any good or service.

### **COMPLIANCE MONITORING**

**XI. IT IS FURTHER ORDERED** that, for the purpose of monitoring Defendant's compliance with this Order:

- A. Within 14 days of receipt of a written request from a representative of the FTC, Defendant must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury; appear for depositions; and produce documents, for inspection and copying. The FTC is also authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.
- B. For matters concerning this Order, the FTC is authorized to communicate directly with Defendant. Defendant must permit representatives of the FTC to interview any employee or other person affiliated with any Defendant who has agreed to such an interview. The person interviewed may have counsel present.
- C. The FTC may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities, to

Defendant or any individual or entity affiliated with Defendant, without the

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